

Welcome – This Webinar Will Begin Momentarily

Housekeeping Items

- This webinar will be recorded.
- The link to the recording and PowerPoint will be posted on the Events registration page on LEA's member portal post webinar. An email will also be sent to today's attendees with this information.
- Please use the chat box to share comments or questions.
- This webinar is eligible for 1 Continuing Professional Education (CPE) credit.
- Four (4) polling questions will be initiated throughout this webinar to monitor engagement as required by NASBA standards.
- Your CPE certificate will be emailed to you in a couple of weeks.
- You will receive an email asking you to complete an evaluation of this webinar. Please take time to complete this as your input is valuable when planning for future webinars.

LEA GLOBAL



James Pickett
DIRECTOR
678.302.1468

James.Pickett@btcpa.net



Chris Stephens

MANAGER
770.635.5061
Chris.Stephens@btcpa.net



Brittany Francis

678.302.1486 Brittany.Francis@btcpa.net

MANAGER



Luke Smith
STAFF
470.326.2245
Luke.Smith@btcpa.net

IRS Tax Controversy

- James Pickett, CPA
- Brittany Francis, EA
- Luke Smith, Esq.

Admin Support

- Sana Holmes
 Administrative Assistant
- Janet Myers
 Tax Specialist

SALT Tax Controversy

- Peter Stathopoulos, Esq.
- Chris Stephens, Esq.
- Luke Smith, Esq.

LEA GLOBAL

Agenda

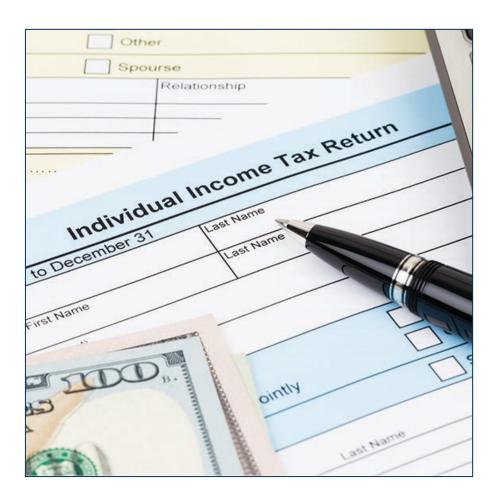
- IRS Collection Procedure ACS and SBSE Field Collection
- IRS Collection Appeals and Offers in Compromise
- State Revenue Dept Collection Cases

IRS Collection Procedure - ACS and SBSE Field Collection

- The Collection Notice Stream
- Private Collection Agencies
- Payment Options
- Revocation of Passport
- Factors to Consider

Collection Notices

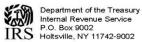
- The Escalating Level of Notifications
- Factors to Consider
- Payment Options



Collection Notices – The Escalating Level of Notifications

- CP 14, CP 22 Standard Billing Language
- CP 501 You Have a Balance Due
- CP 503 Immediate Action is Required
- CP 504 You Have an Amount Due Intent to Levy
- Notice of Federal Tax Lien
- CP 90 or Letter 1058 Final Notice Intent to Levy

CP 22 – First Collection Notice



| Notice | CP22E |
|------------------------|----------------------|
| Tax year | 2016 |
| Notice date | January 30, 2017 |
| Social security number | nnn-nn-nnnn |
| To contact us | Phone 1-800-829-0922 |
| Your caller ID | ИИИИ |
| Page 1 of 4 | * |



Changes to your 2016 Form 1040

Amount due: \$1,799.52

As a result of your recent audit, we changed your 2016 Form 1040. Please see your copy of the audit report for a detailed explanation of the changes.

As a result, you owe \$1,799.52.

| Billing Summary | | |
|------------------------------------|------------|--|
| Account balance before this change | \$1,076.63 | |
| Increase in tax | 963.00 | |
| Decrease in credit | - 289.03 | |
| Increase in interest | 72.00 | |
| Decrease in interest we owe you | - 23.08 | |
| Amount due by February 20, 2017 | \$1,799.52 | |

What you need to do immediately

- If you agree with the changes we made
- Pay the amount due of \$1,799.52 by February 20, 2017, to avoid additional interest and applicable penalty charges.
- Pay online or mail a check or money order with the attached payment stub. You pay online now at www.irs.gov/payments.

Continued on back...







| Notice | CP22E |
|------------------------|---------------|
| Notice date | March 2, 2017 |
| Social security number | nnn-nn-nnnn |

- Make your check or money order payable to the United States Treasury.
- Write your social security number (nnn-nn-nnnn), the tax year (2016), and the form number (1040) on your payment.

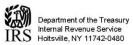
Amount due February 20, 2017

\$1,799.52

INTERNAL REVENUE SERVICE CINCINNATI, OH 45999-0149 s018999546711s

0000 0000000 0000000000 0000000 0000

CP 501 – First Reminder Notice



| Notice | CP501 |
|------------------------|-----------------|
| Tax year | 2016 |
| Notice date | January 8, 2018 |
| Social security number | NNN-NN-NNNN |
| To contact us | 1-800-xxx-xxxx |
| Your caller ID | NNNN |
| Page 1 of 6 | |



You have unpaid taxes for 2016

Amount due: \$9,533.53

Our records show you have unpaid taxes for the tax year ended December 31, 2016 (Form 1040NR).

If you already paid your balance in full within the last 21 days or made payment arrangements, please disregard this notice.

If you already have an installment or payment agreement in place for this tax year, then continue with that agreement

| Billing Summary | | |
|--------------------------------|------------|--|
| Amount you owed | \$9,444.07 | |
| Failure-to-pay penalty | 34.98 | |
| Interest charges | 54.48 | |
| Amount due by January 29, 2018 | \$9.533.53 | |

If you are a debtor in a bankruptcy case, this notice is for your information only and is not intended to seek payment outside of the bankruptcy process of taxes due before you filed your petition. You will not receive another notice of the balance due while the automatic stay remains in effect.

Continued on back...





| Notice | CP501 | |
|------------------------|-----------------|--|
| Notice date | January 8, 2018 | |
| Social security number | NNN-NN-NNNN | |

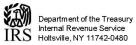
Payment

- Make your check or money order payable to the United States Treasury.
- Write your social security number (NNN-NN-NNNN), the tax year (2016), and form number (1040NR) on your payment.

INTERNAL REVENUE SERVICE CINCINNATI, OH 45999-0149 Amount due by January 29, 2018

\$9,533.53

CP 503 – Second Follow-up Notice



| Notice | CP503 |
|------------------------|-----------------|
| Tax year | 2016 |
| Notice date | January 8, 2018 |
| Social security number | NNN-NN-NNNN |
| To contact us | 1-800-xxx-xxxx |
| Your caller ID | NNNN |
| Page 1 of 5 | |



Second reminder: You have unpaid taxes for 2016

Amount due: \$9,533.53

As we notified you before, our records show you have unpaid taxes for the tax year ended December 31, 2016 (Form 1040A). If you don't pay \$9,533.53 by January 29, 2018, the amount of interest will increase and additional penalties may apply.

If you already have an installment or payment agreement in place for this tax year, then continue with that agreement.

| Billing Summary | |
|--------------------------------|------------|
| Amount you owed | \$9,444.07 |
| Failure-to-pay penalty | 34.98 |
| Interest charges | 54.48 |
| Amount due by January 29, 2018 | \$9,533,53 |

What you need to do immediately

If you agree with the amount due and you're not working with an IRS representative

- Pay the amount due of \$9,533.53 by January 29, 2018, to avoid additional interest and applicable penalty charges.
- Pay online or mail a check or money order with the attached payment stub. You can pay online now at www.irs.gov/payments.

Continued on back...





| Notice | CP503 |
|------------------------|-----------------|
| Notice date | January 8, 2018 |
| Social security number | NNN-NN-NNNN |

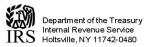
Payment

- · Make your check or money order payable to the United States Treasury.
- Write your social security number (NNN-NN-NNNN), the tax year (2016), and form number (1040A) on your payment.

INTERNAL REVENUE SERVICE CINCINNATI, OH 4599-0149 Amount due by January 29, 2018

\$9,533.53

CP 504 – Intent to Levy Notice



| Notice | CP504 |
|------------------------|------------------|
| Tax year | 2017 |
| Notice date | January 30, 2018 |
| Social security number | NNN-NN-NNNN |
| To contact us | 800-xxx-xxxx |
| Your caller ID | NNNN |
| Page 1 of 8 | |



Notice of intent to seize (levy) your property or rights to property

Amount due immediately: \$9,533.53

This is a notice of intent to levy your state tax refund or other property. As we notified you before, our records show you have unpaid taxes for the tax year ended December 31, 2017 (Form 1040A). If you don't call us to make payment arrangements or pay the amount due within 30 days from the date of this notice, we may levy your property or rights to property and apply it to the \$9,533.53 you owe.

| Billing Summary | |
|------------------------|------------|
| Amount you owed | \$9,444.07 |
| Failure-to-pay penalty | 34.98 |
| Interest charges | 54.48 |
| Amount due immediately | \$9,533.53 |

What you need to do immediately

If you agree with the amount due and you're not working with an IRS representative

- Pay the amount due of [E-01] immediately or we may file Notice of Federal Tax Lien, the amount of interest will increase and additional penalties may apply.
- Pay online or mail a check or money order with the attached payment stub. You can pay online now at www.irs.gov/payments.





| Notice | CP504 |
|------------------------|------------------|
| Notice date | January 30, 2018 |
| Social security number | NNN-NN-NNNN |

Payment

- Make your check or money order payable to the United States Treasury.
- Write your social security number (NNN-NN-NNNN), the tax year (2017), and form number (1040A) on your payment.

INTERNAL REVENUE SERVICE CINCINNATI, OH 45999-0149 · Pay immediately

\$9,533.53

|--|--|

Certain IRS Collection Notices Suspended Temporarily

- The IRS has suspended the mailing of certain notices including the <u>CP501</u>, the <u>CP503</u> and the <u>CP504</u> that go to taxpayers who have a balance due on their taxes.
- This was done during the mail processing delay during the Covid-19 pandemic
- IRS will likely soon resume mailing these notices now that it is about to catch up with its mail processing backlog

Ltr 3172 – Notice of Federal Tax Lien & Right to Hearing



CERTIFIED MAIL

Letter Date: Taxpayer Identification Number:

Person to Contact:

Contact Telephone Number:

Employee Identification Number:



Notice of Federal Tax Lien Filing and Your Right to a Hearing Under IRC 6320

Dear (

We filed a Notice of Federal Tax Lien on

| Type of Tax | Tax Period | Assessment Date | Amount on Lien |
|-------------|------------|-----------------|----------------|
| 1040 | 12/31/ | | |
| 1040 | 12/31/ | | |
| 1040 | 12/31/ | | |
| 1040 | 12/31/ | | |
| 7040 | 12/71/ | | |

NOTE: Please contact the person whose name and telephone number appears on this notice to obtain the current amount you owe. Additional interest and penalties may be increasing the amount on the lien shown above.

A lien attaches to all property you currently own and to all property you may acquire in the future. It also may damage your credit rating and hinder your ability to obtain additional credit.

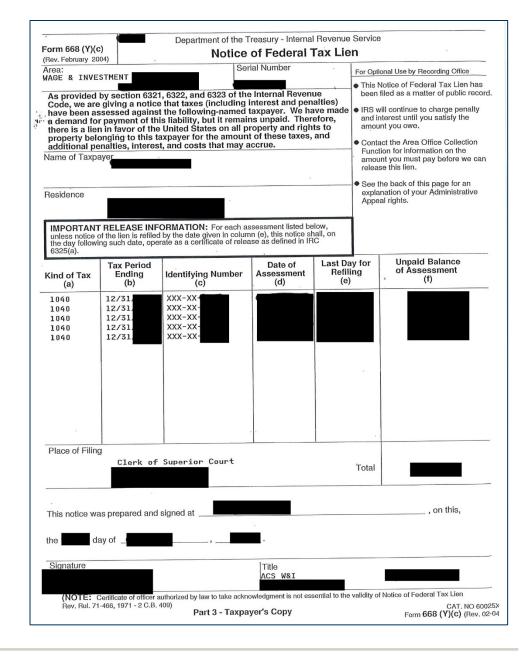
You have the right to a hearing with us to appeal this collection action and to discuss your payment method options. To explain the different collection appeal procedures available to you, we have enclosed Publication 1660, Collection Appeal Rights.

You must request your hearing by Please complete the enclosed Form 12153, Request for a Collection Due Process or Equivalent Hearing, and mail it to:



Letter 3172 (DO) rev. (3-2009 Catalog No. 267671

Form 668 – Notice of Federal Tax Lien



Letter 1058 – Intent to Levy

IRS Department of the Treasury ACS SUPPORT - STOP 5050 Contact Telephone Number: TOLL FREE: 1-800-829-7650 BEST TIME TO CALL: MON - FRI 8:00 AM TO 8:00 PM LOCAL ASISTENCIA EN ESPANOL 1-800-829-7650

CALL IMMEDIATELY TO PREVENT PROPERTY LOSS FINAL NOTICE OF INTENT TO LEVY AND NOTICE OF YOUR RIGHT TO A HEARING

WHY WE ARE SENDING YOU THIS LETTER

We've written to you before asking you to contact us about your overdue taxes. You haven't responded or paid the amounts you owe. We encourage you to call us immediately at the telephone number listed above to discuss your options for paying these amounts. If you act promptly, we can resolve this matter without taking and selling your property to collect what you owe.

We are authorized to collect overdue taxes by taking, which is called levying, property or rights to property and selling them if necessary. Property includes bank accounts, wages, real estate commissions, business assets, cars and other income and assets.

WHAT YOU SHOULD DO

This is your notice, as required under Internal Revenue Code sections 6330 and 6331, that we intend to levy on rus is your notice, as required under internal revenue occessors as 350 and 5551, that we siterior to try our property or your rights to property 30 days after the date of this letter unless you take one of these actions: Pay the full amount you owe, shown on the back of this letter. When doing so,
Please make your check or money order payable to the United States Treasury;
Write your social security number and the tax year or employer identification number and the tax period

- write your social security number and use tax year or employer roteintication number and use tax year or employer roteintication number and use tax year or employer social number and use to account on your payment.

 Make payment arrangements, such as an installment agreement that allows you to pay off your debt over time. Appeal the intended tery on your property by requesting a Collection Due Process hearing within 30 days

WHAT TO DO IF YOU DISAGREE

If you've paid already or think we haven't credited a payment to your account, please send us proof of that payment. You may also appeal our intended actions as described above.

Even if you request a hearing, please note that we can still file a Notice of Federal Tax Lien at any time to protect the government's interest. A filen is a public notice that tells your cereditors that the government has a right to your current assets and any assets you acquire after we file the lien.

We've enclosed two publications that explain how we collect past due taxes and your collection appeal rights, as required under Internal Revenue Code sections 6330 and 6331. In addition, we've enclosed a form that you can use to request a Collection Due Process hearing.

We look forward to hearing from you immediately, and hope to assist you in fulfilling your responsibility as a

Enclosures: Copy of letter, Form 12153, Publication 594, Publication 1660, Envelope

Automated Collection System

WI

Letter 1058 (Rev. 05-2002)(LT-11)

Letter 725 (DO) Letter from Revenue Officer



Department of the Treasury
Internal Revenue Service
Small Business / Self-Employed Division

Date:

Person to contact:
Name:
Employee ID number:
Telephone:
Fax:
Taxpayer ID number: (last 4 digits)
XXX-XX

We want to discuss your unfiled returns and/or an amount you owe, whichever is checked, and have scheduled a meeting.

The date, time and place of the meeting

| - | | |
|-------|--|--|
| lace: | | |
| ime: | | |
| ate: | | |

- Unfiled returns periods listed at the bottom of this letter
- A. If you filed the return(s) listed, please bring a signed copy of the return(s) to the meeting.
- B. If you didn't file the return(s) listed, please bring to the meeting the return(s) already completed and signed. We enclosed blank forms for your convenience.
- C. If you are unable to complete the unfiled return(s), please bring to the meeting income statements (W-2s, 1099s, etc.) or payroll information (quarterly wages, income tax withheld, social security tax withheld, etc.) as applicable. We enclosed blank forms we will help you complete.
- D. If you feel you weren't required to file the return(s) listed, please be prepared to provide the reason and the date you were no longer liable.
- ☐ Unpaid amounts you owe periods listed at the bottom of this letter
- A. If you paid the full amount you owe, please bring to the meeting proof of payment (i.e., a copy of both sides of your canceled check).
- B. If you didn't pay the full amount you owe, please bring full payment to the meeting.
- C. If you are unable to pay the full amount you owe, please bring proof of income, expenses, assets, and liabilities. These items will help us to determine your ability to pay and to discuss alternative payment arrangements such as an installment agreement, an offer in compromise, or a temporary delay of collection action.

Page 1

Letter 725 (DO) (Rev. 1-2017) Catalog Number: 40324X

Private Collection Agencies

- IRS Notice CP-40 will notify taxpayers that their accounts have been assigned to a private collection agency
- Publication 4518 explains this new process

IRS Notice CP 40



| Notice | CP40 |
|-----------------------|------------------|
| Notice date | January 26, 2017 |
| Taxpayer ID number | |
| Tax form | |
| Tax year | |
| Taxpayer | |
| authentication number | |
| To contact us | |
| Page 1 of 2 | |



We assigned your overdue tax account to a private collection agency

Current law requires us to contract with qualified private collection agencies to assist in collecting certain overdue federal taxes. We have assigned your account to the following agency:

[Agency name]
[Address line 1]
[Address line 2]
[Phone number]

What happens next

The private collection agency will work with you to resolve your overdue account. The private collection agency will explain payment options to help you find one that is best for you. It also will provide you with a payment plan if you can't pay the full amount at this time.

You can pay online now at www.irs.gov/directpay or visit www.irs.gov/payments for more information about ways to pay. If paying by check or money order, make the check or money order payable to the United States Treasury. Include your name, social security number, and the tax year on your payment and send it to the address on this notice. These are the only forms of payment the IRS accepts. We'll never ask you to pay using any form of pre-pald card or store or online gift card.

The private collection agency is required to maintain the security and privacy of your tax information. To do this, it will ask you to provide your name and address of record before assisting you in resolving your account. Also, it will perform two-party verification by asking you for the first five numbers of your taxpayer authentication number at the top of this notice. The private collection agency will then provide the subsequent five numbers.

Keep this notice for your records. You'll need information from it to complete the two-party verification.

See the enclosed Publication 4518, What You Can Expect When the IRS Assigns Your Account to a Private Collection Agency, for more information.

Additional information

- Visit www.irs.gov/cp40
- · You can also find the following online:
- Publication 1, Your Rights as a Taxpayer
- For tax forms or publications, visit www.irs.gov/formspubs or call 1-800-TAX-FORM (1-800-829-3676).
- The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that can help protect your

Private Collection Agency Example - Payment Arrangement Summary



Call: (800)910-5837
Creditor: Internal Revenue Service

Payment Arrangement Summary

Total Amount Due:

Dear

or the account(s) of:

Thank you for taking the time to speak with us. The following payment arrangement has been established on your Internal Revenue Service account.

If you have questions or concerns regarding your payment arrangement please contact us immediately at (800)910-5837.

ACCOUNT SUMMARY:

| TIN | Tax Year | Tax Form | Tax Assessed | Interest | Penalty | Other Fees | Balance Due | Accrual Date |
|-----|----------|----------|--------------|----------|---------|------------|-------------|--------------|
| | | 1040 | | | | \$0.00 | | |
| | | 1040 | | | | \$0.00 | | |
| | | 1040 | | | | \$0.00 | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | 4.0 |
| | | | | | | | | |

PAYMENT ARRANGEMENT SUMMARY:

| Payment Date | Payment Amount |
|--------------|----------------|
| 11/15/18 | |
| 02/15/19 | |
| 05/15/19 | |
| 08/15/19 | |
| 11/15/19 | |
| 02/15/20 | |
| 05/15/20 | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

| Payment Date | Payment Amount |
|--------------|----------------|
| 12/15/18 | |
| 03/15/19 | |
| 06/15/19 | |
| 09/15/19 | |
| 12/15/19 | |
| 03/15/20 | |
| | T . |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

| Payment Date | Payment Amount |
|--------------|----------------|
| 01/15/19 | |
| 04/15/19 | |
| 07/15/19 | |
| 10/15/19 | |
| 01/15/20 | |
| 04/15/20 | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

Your Total Payment Plan Amount is:

As of the date of this letter, you owe greater. Thus, if you pay the total amount due shown above, an adjustment may be necessary after your payment is received, in which event we will inform you.

This is an attempt to collect a debt; any information obtained will be used for that purpose.

This communication is from a debt collector.

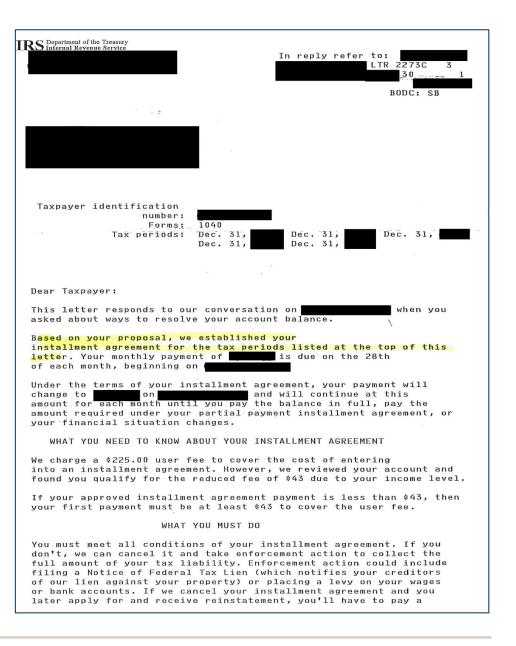
NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION.

36370_2002_2

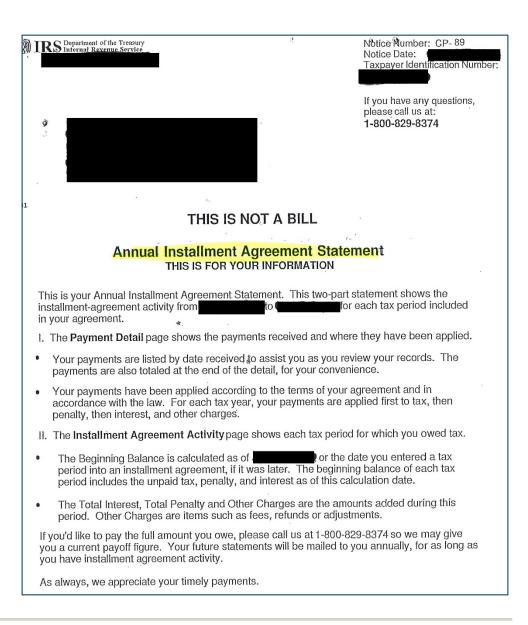
Collection Notices - Payment or Other Resolution Options

- Full Pay
- Installment Agreement monthly payments
 - 180 full pay agreement
 - Long-term up to 72 months
- Officer in Compromise
 - Doubt as to Collectability
 - Doubt as to Liability
- Currently Not Collectible
- Bankruptcy
- Collection Statute (CSED) Expires
 - Generally, 10 years from assessment (with some exceptions)

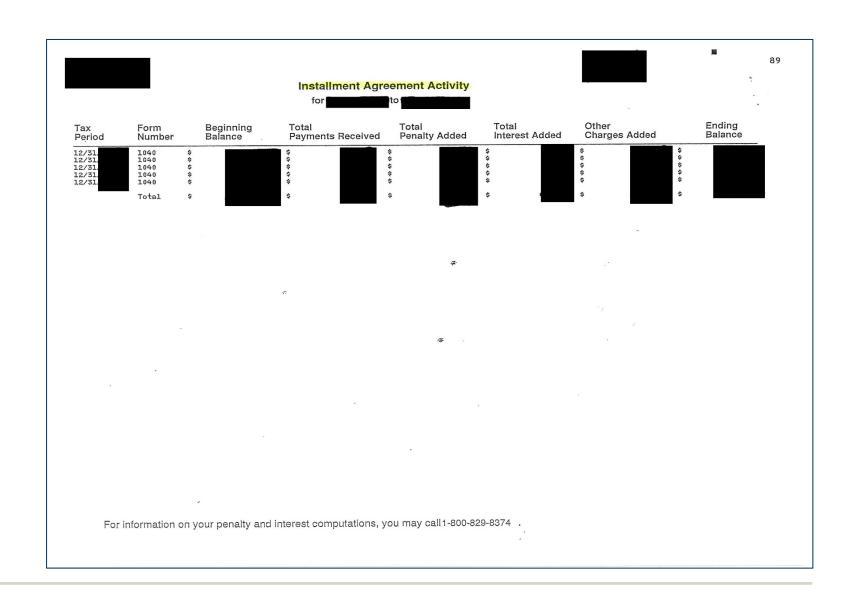
Letter 2273C Installment Agreement



Notice CP 89 Annual Installment Agreement Statement



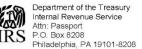
Attachment to Notice CP 89



Revocation or Denial of Passport in Case of Certain Unpaid Taxes

- For seriously delinquent tax debt, IRC § 7345 authorizes the
 IRS to certify that debt to the State Department for action.
 - More than \$59,000 (annual adjustment for inflation)
 - Notice of federal tax lien has been filed and all administrative remedies under IRC § 6320 have lapsed or been exhausted or levy has been issued
- The State Department generally will not issue a passport after receiving certification from the IRS.
 - Notice CP 508C

Notice CP 508C Notification to US State Dept



| Notice | CP508C |
|--------------------|--------------------------------|
| Notice date | January 30, 2018 |
| Taxpayer ID number | NNN-NN-NNNN |
| To contact us | Phone: 855-xxx-xxxx |
| | International: +1-267-xxx-xxxx |
| | |

Page 1 of 7



Notice of certification of your seriously delinquent federal tax debt to the State Department

Amount due: \$97,978.55

On December 4, 2015, as part of the Fixing America's Surface Transportation (FAST) Act, Congress enacted Section 7345 of the Internal Revenue Code, which requires the Internal Revenue Service to notify the State Department of taxpayers certified as owing seriously delinquent tax debt. The FAST Act generally prohibits the State Department from issuing or renewing a passport to a taxpayer with seriously delinquent tax debt.

We have certified to the State Department that your tax debt is seriously delinquent. We show that you still owe \$97,978.55. This amount includes penalty and interest computed to 30 days from the date of this notice.

This notice only includes the portion of your tax debt that has been certified to the State Department as seriously delinquent, as defined below. You may have additional tax debt that is not included in this notice.

| Billing Summary | | | | |
|---|-------------|--|--|--|
| Amount of seriously delinquent tax debt | \$85,099.95 | | | |
| Additional penalty charges | 5,000.00 | | | |
| Additional interest charges | 7,878.55 | | | |
| Amount due by March 1 2018 | \$97.978.55 | | | |

What you need to know

Seriously delinquent tax debt is tax debt (including penalties and interest) totaling more than \$51,000* for which:

- We have filed a Notice of Federal Tax Lien and your administrative rights under Internal Revenue Code (IRC) Section 6320 have been exhausted or lapsed, OR
- . We have, at any time, issued a levy to collect this debt.
- * The \$51,000 threshold is adjusted yearly for

If you apply for a passport or passport renewal, the State Department will deny your application and will not issue a passport to you or renew your current passport.

If you currently have a valid passport, the State Department may revoke your passport or limit your ability to travel outside the United States.

Collection Notices - Factors to Consider

- Time Frames
 - With a large balance due notice sequence is accelerated
- Lien legal filing at local courthouse, Secretary of State
- Levy seizure of money or property
- Passport Revocation IRS Debt above \$59,000 (as of 2023)
- Appeals

IRS Collection Appeals

Collection Due Process Hearing (CDP)

Equivalent Hearing (EH)

Collection Appeals Program (CAP)

Collection Due Process Hearing (CDP)

- Is available if taxpayer receives one of the following notices:
 - Notice of Federal Tax Lien Filing and Your Right to a Hearing Under IRC 6320 (Lien Notice),
 - Final Notice Notice of Intent to Levy and Notice of Your Right to A Hearing
 - Notice of Jeopardy Levy and Right of Appeal,
 - Notice of Levy on Your State Tax Refund,
 - Notice of Levy and Notice of Your Right to a Hearing.
- 30 days to file (protects right to go to court if not resolved)
 - If filed after 30 days Equivalent Hearing (can't go to court)

Equivalent Hearing (EH)

- Same eligibility criteria as CDP for EH
- Key differences EH vs. CDP
 - Requests filed more than 30-days after the date on the applicable notice are considered Equivalent Hearings
 - Same hearing procedures
 - one year filing deadline
 - o no right to go to court

CDP and EH – Reasons for Hearing Request

- Collection Alternative
- Inability to Pay
- Disputing Lien or Levy
- Other
 - Not liable for all or part of tax
 - Disputing penalties

Form **12153** (Rev. 12-2013)

Request for a Collection Due Process or Equivalent Hearing

Use this form to request a Collection Due Process (CDP) or equivalent hearing with the IRS Office of Appeals if you have been issued one of the following lien or levy notices:

- · Notice of Federal Tax Lien Filing and Your Right to a Hearing under IRC 6320,
- Notice of Intent to Levy and Notice of Your Right to a Hearing.
- · Notice of Jeopardy Levy and Right of Appeal,
- · Notice of Levy on Your State Tax Refund,
- · Notice of Levy and Notice of Your Right to a Hearing.

Complete this form and send it to the address shown on your lien or levy notice. Include a copy of your lien or levy notice to ensure proper handling of your request.

Call the phone number on the notice or 1-800-829-1040 if you are not sure about the correct address or if you want to fax your request.

You can find a section explaining the deadline for requesting a Collection Due Process hearing in this form's instructions. If you've missed the deadline for requesting a CDP hearing, you must check line 7 (Equivalent Hearing) to request an equivalent hearing. 1. Taxpayer Name: (Taxpayer 1) Taxpayer Identification Number **Current Address** City State Zip Code 2. Telephone Number and Best Time Home (to Call During Normal Business am. pm. Work (Hours am. pm. Cell 3. Taxpayer Name: (Taxpayer 2) Taxpayer Identification Number **Current Address** (If Different from State Zip Code Address Above) 4. Telephone Number and Best Time am. Home (to Call During Normal Business am. Work (pm. am. Cell 5. Tax Information as Shown on the Lien or Levy Notice (If possible, attach a copy of the notice) Type of Tax (Income, Tax Form Number Employment, Excise, Tax Period or Periods (1040, 941, 720, etc) etc. or Civil Penalty) Form **12153** (Rev. 12-2013) Catalog Number 26685D

| (Rev. 12-2013) | Request for a | Collection | Due Process or Equ | ivalent Hearing |
|---|---|---|--|--|
| 6. Basis for He and levy not | | oxes can be ch | necked if you have received | l both a lien |
| Filed No | tice of Federal Tax Lien | | Proposed Levy or Actual L | .evy |
| 7. Equivalent H | learing (See the instruc | ctions for more | information on Equivalent | Hearings) |
| | | | ke a hearing equivalent to requirements for a timely | |
| See page 4 If, during y action pro 433A (Ind for copies review, ve | of this form for exam /our CDP Hearing, you posed by the Collection ividual) and/or Form 43 of the forms. Generally rify and provide their of s with you and give you | think you wounthink you wound function it is sale (Business), the Office of pinion on any the opportunity | <u> </u> | n't have enough space. on Alternative to the a completed Form orm. See <u>www.irs.gov</u> ction Function to t. We will share their |
| | | | Offer in Compromise | ☐ I Cannot Pay Balance |
| Lien Please explain: | Subord | ination | Discharge | Withdrawal |
| My Spouse Is I | Responsible | | Spouse Relief (Please attack for Innocent Spouse Relief, to | |
| Reason (You | | | ır request for a CDP hearing will ruest. Attach extra pages if nece | |
| 9. Signatures | period of limitations f date this request bef | for collection action for the IRS Office | y subsequent judicial review will on. I also understand my repress e of Appeals can accept it. If you coretary, etc.) behind your signatu | entative or I must sign and I are signing as an officer of |
| SIGN HERE | Taxpayer 1's Signatu | Taxpayer 1's Signature | | |
| | Taxpayer 2's Signatu | Taxpayer 2's Signature (if a joint request, both must sign) | | |
| | I request my CE | OP hearing be he | ld with my authorized representa | ative (attach a copy of Form |
| Authorized Repre | sentative's Signature | Authorized Rep | resentative's Name | Telephone Number |
| IRS Use Only | | | | |
| IRS Employee (Prin | it) | | Employee Telephone Number | IRS Received Date |

Farm 12153

Collection Appeals Program (CAP)

- CAP process available if taxpayer received any one of the following notices:
 - Notice of Federal Tax Lien
 - Notice of Levy
 - Notice of Seizure
 - Denial or Termination of Installment Agreement
- Usually available when CDP or EH not available due to time lapse

Collection Appeals Program (CAP) Reasons for Appeal

- Levy or seizure action that has been or will be taken
- A Notice of Federal Tax Lien (NFTL) that has been or will be filed
- The filing of a notice of lien against an alter-ego or nominee's property
- Denials of requests to issue lien certificates, such as subordination, withdrawal,
 discharge or non-attachment
- Rejected, proposed for modification or modified, or proposed for termination or terminated installment agreements
- Disallowance of taxpayer's request to return levied property under IRC 6343(d)
- Disallowance of property owner's claim for return of property under IRC 6343(b)
- Penalty abatement denials

Collections Appeals Program

- Decision is binding on the taxpayer and IRS
 - No judicial review of the CAP decision
 - Appeals' administrative decision is final
- The goal is to provide a response with a 5-day turnaround
- Appeals' review is for appropriateness of the action proposed or taken based on law, regulations, policy and procedures
- Appeals does NOT consider alternatives to the issue under appeal

IRS Offers in Compromise

- Doubt as to Collectability
 - Agree with the amount due, however unable to pay the entire amount owed
 - Form 656-B
- Doubt as to Liability
 - Doubt as to liability is when there is a genuine dispute as to the existence or amount of the correct tax debt under the law
 - o Form 656-L

Form 656-B

Form 656 Booklet

Offer in Compromise

CONTENTS

| | What you need to know | 1 |
|---|--|----|
| • | Paying for your offer | 3 |
| - | How to apply | 4 |
| • | Completing the application package | 5 |
| • | Important information | 6 |
| • | Removable Forms - Form 433-A (OIC), Collection Information Statement for Wage Earners and Self-Employed Individuals; Form 433-B (OIC), Collection Information Statement for Businesses; Form 656, Offer in | |
| | Compromise | 7 |
| - | Application Checklist | 29 |



Form 656-L



Form 656-L

Offer in Compromise

(Doubt as to Liability)

CONTENTS

| ■ What you need to know | 2 |
|-------------------------|---|
| ■ Important information | 2 |
| ■ DATL Pre-qualifier | 4 |
| ■ Form 656-L | 6 |

State Revenue Dept Collection Cases

Agenda

- Introduction to State Tax Collection Issues
- Common State Collection Issues
- Preventing Levy/Liens

Intro To State Tax Collection Issues

Typical Process

- Proposed Assessment
- Final Assessment
- Collections Notice
- Intent to Levy/Lien Notice
- Levy/Lien Filed

Common State Collection Issues

- State does not always send POA a copy of levy/lien notice
- Clients do not always share a copy of levy/lien notice with practitioner
- Once notice of intent is issued it can be very difficult to stop the process prior to levy/lien

Preventing Levy/Liens

- Crucial to respond to proposed and final assessments
 - Responses at this levy usually result in an automatic stay on the account and prevent collection notices
- Once in collections reach out to Department as soon as possible,
 work informal channels
- Paying tax due and seeking refund may be option

